

EXHIBIT 3

SRP®

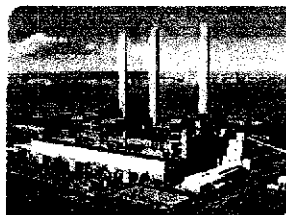
Navajo Generating Station

Operator: SRP

Location: Navajo Indian Reservation near Page, Ariz.

Participant summary:

U.S. Bureau of Reclamation	24.3%
SRP	21.7%
Los Angeles Dept. of Water and Power	21.2%
Arizona Public Service Co.	14.0%
Nevada Power	11.3%
Tucson Electric Power	7.5%



Service area: Navajo Generating Station (NGS) serves electric customers in Arizona, Nevada and California. The station also supplies energy to pump water through the Central Arizona Project.

Description: Coal-fired generating station.

Capacity: 2,250 megawatts from three 750-MW units.

Fuel source: Peabody Western Coal Company's Kayenta Mine (50 miles to the east).

Plant construction: Construction began in 1969. The first unit began producing electricity in 1974. Commercial operation of the other units began in 1975 and 1976.

Construction costs: \$650 million, including \$200 million in environmental-control equipment. An additional \$420 million was spent on new scrubbers in the 1990s.

Environmental control equipment: NGS is equipped with electrostatic precipitators to control fly ash, and has a lined water reservoir to help recover and contain process waste.

Additionally, NGS has three scrubbers, one for each electric generating unit at the plant. With the scrubbers, NGS ranks among the cleanest coal-fired power plants in the country.

The Navajo Scrubber Project was part of a negotiated settlement among SRP, the state of Arizona, the Grand Canyon Trust and the U.S. Environmental Protection Agency (EPA). Under the settlement, SRP agreed to remove approximately 90% of the sulfur dioxide (SO₂) produced by the combustion of low-sulfur coal at NGS. The project was begun in fall 1994 and completed in fall 1999.

The scrubbers remove SO₂ from the gases emitted through the plant's three chimneys. In addition to eliminating almost all of the SO₂ emissions from the plant, the wet-scrubber process used at NGS also removes more fly-ash, helping to keep the air clearer.

Water intake project: To ensure that cooling water will be available for the continued operation of NGS, even under persistent drought conditions, SRP and the other operators of NGS propose to modify the water intake system of NGS by installing new intake structures at an elevation below that of the current intakes.

Below are links to documents pertinent to this project.

- [Environmental Assessment, March 2005 \(5.1 MB\)](#)
- [Finding of No Significant Impact \(FONSI\), July 2005](#)

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